

REED SMITH SHAW & McCLAY

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WASHINGTON, DC
PHILADELPHIA, PA
HARRISBURG, PA
McLEAN, VA
PRINCETON, NJ

(412) 288-3306

October 5, 1995

Recordation No. 14516-C

14516-C

001 1995

Dear Mr. Strickland:

On behalf of Mellon Financial Services Corporation #3, I submit for filing and recording under 49 U.S.C. Section 11303(a) and regulations promulgated thereunder, an executed, secondary document, not previously recorded, entitled Assignment and Assumption Agreement, dated as of September 1, 1995.

The parties to the enclosed Assignment and Assumption Agreement are:

Mellon Financial Services
Corporation #3
One Mellon Bank Center
Suite 4444
Pittsburgh, PA 15258

- Assignee

Mercantile Bank of St. Louis
National Association
Mercantile Tower
Institutional Leasing, 12th Floor
7th and Washington
St. Louis, MO 63101

- Assignor

GE Capital Railcar Associates, Inc.
33 West Monroe Street
Chicago, IL 60603

- Lessee

Said Assignment is an assignment by Assignor to Assignee of all of Assignor's right, title, and interest as Lessor in and to the Equipment Lease, dated as of December 1, 1984 (the "Lease"), filed and recorded with the Interstate Commerce Commission under Recordation No. 14516, and the Assignment should be recorded under Recordation No. 14516 under the next letter, which I believe is -C.

Please index in the "Vendee" Index Book ("white pages") the Assignment (saying "See Recordation No. 14516-C") under the name of Assignee therein, namely, under:

Mellon Financial Services Corporation #3

REED SMITH SHAW & McCLAY

-2-

October 5, 1995

The units of equipment covered by the Assignment and Assumption Agreement are those covered hopper cars identified therein.

A short summary of the document to appear in the ICC Index is as follows:

"Assignment to Assignee of all of Assignor's right, title, and interest as Lessor in and to the Equipment Lease relating to 200 covered hopper cars, DOWX numbers, which Lease was recorded on December 27, 1984, and assigned recordation number 14516."

Further, please index in the "Vendor" Index Book ("yellow pages") the Assignment, (saying "See Recordation No. 14516-C") under the name of Assignor therein, namely, under:

Mercantile Bank of St. Louis National Association

Enclosed is \$21 cash in payment of the filing fee. We were advised that there is no additional fee for the requested indexing; if that is not the case, please proceed as requested herein and bill us for any additional charges.

Once the filing has been made, please return to the bearer the stamped counterpart of the Assignment and Assumption Agreement not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the extra copy of this letter of transmittal.

Very truly yours,



William J. Smith, Esq.
Attorney for the purpose of this filing for
Mellon Financial Services
Corporation #3

Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Enclosures

BY HAND



Interstate Commerce Commission
Washington, D.C. 20423-0001

10/6/95

Office Of The Secretary

William J. Smith, Esq.
Reed Smith Shaw & McClay
1200 Fifth Avenue
Pittsburgh, PA., 15219-1886

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/6/95 at 2:00PM, and assigned recordation number(s). 140 C-C and 15080-D.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

\$ 42.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

James M. Fort

14516-C
1995

ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of the later of the dates set forth below the signatures hereto, (this "**Agreement**"), between MERCANTILE BANK OF ST. LOUIS NATIONAL ASSOCIATION, a national banking association ("**Seller**"), and MELLON FINANCIAL SERVICES CORPORATION #3, a Pennsylvania corporation ("**Purchaser**").

SECTION 1. Definitions. For purposes of this Agreement, the following specific terms shall have the respective meanings set forth below.

Equipment shall mean two hundred (200) 5800 cu. ft. covered hopper cars manufactured by Richmond Tank Car Company, bearing road numbers DOWX 20000-20199, excluding road number 20179, which are subject to the Lease Transaction.

Lease Transaction shall mean the lease transaction identified in Schedule 1 hereto.

Lessee shall mean the person identified as such in any of the Transaction Documents.

Lien shall mean any mortgage, pledge, security interest, encumbrance, lien, easement, servitude or charge of any kind.

Transaction Documents shall mean all of the agreements, instruments, certificates, financing statements and other documents of any nature executed in connection with the Lease Transaction, including any amendments, modifications or supplements thereof from time to time.

SECTION 2. Sale and Assignment. Seller, for good and valuable consideration paid to it, receipt of which is hereby acknowledged, does hereby assign, transfer, sell and convey unto Purchaser all of Seller's right, title and interest in and to the Lease Transaction, subject to no Liens other than Liens created pursuant to or permitted by the Transaction Documents, to have and hold said Lease Transaction unto Purchaser to and for its use forever, provided, however, that Seller retains and does not assign to Purchaser hereby, all benefits accrued and all rights vested pursuant to the Transaction Documents in respect of the period prior to the date hereof, including, without limitation, all rights to indemnification by the Lessee.

SECTION 3. Assumption. (a) Purchaser hereby assumes all of the duties and obligations of Seller under the Transaction Documents arising or accruing on or after the date hereof, and agrees that it shall be bound by all the terms of, and shall undertake all the obligations of the Seller contained in, the Transaction Documents, whether arising on or subsequent to the

date hereof, provided, however, that Purchaser does not assume and Seller shall remain obligated with respect to any payments due any Lessee as a result of any indemnity payments paid by such Lessee to Seller, either prior to or after the Closing Date.

(b) Purchaser and Seller hereby covenant and agree to execute and to deliver to the other parties to the Transaction Documents from time to time such other documents, instruments and agreements as they reasonably may request in order to further evidence the assignment, assumption and substitution effected hereby or otherwise to carry out the purposes and intent of this Agreement.

SECTION 4. Representations and Warranties of Purchaser.

Purchaser represents and warrants to Seller and to each of the other parties to the Transaction Documents as follows:

(a) Organization, Corporate Authority, Etc. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and is duly qualified to own its properties and carry on its business in each jurisdiction where the failure to be so qualified would have a material adverse effect on Purchaser's business. The purchase and sale of property similar to the Lease Transaction and the Equipment is within the ordinary course of business conducted by Purchaser and Purchaser has all requisite corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement and the Transaction Documents.

(b) Authorization, Etc. This Agreement has been duly authorized, executed and delivered by Purchaser. This Agreement does, assuming the due authorization, execution, and delivery hereof and thereof by Seller, constitute the legal, valid and binding obligation of Purchaser, enforceable against it in accordance with its terms, except as enforcement of the terms hereof and thereof may be limited by applicable bankruptcy, insolvency, reorganization, liquidation, moratorium or similar laws affecting enforcement of creditors' rights generally, as well as the award by courts of relief in lieu of specific performance of contractual provisions.

(c) No Violation. None of the execution, delivery or performance by Purchaser of this Agreement, or the consummation of any of the transactions contemplated hereby, or the performance or observance by Purchaser of its obligations under the Transaction Documents, will contravene any applicable law, any order of any court or governmental agency binding on Purchaser or any of its property, or any provision of the articles of incorporation or bylaws of Purchaser, or will result in a breach of, or constitute a default under, or contravene any provision of, any agreement or instrument to which Purchaser is a party or by which Purchaser or

any of its property is bound (which breach, default, or contravention would, in the aggregate, have a material adverse effect on such execution, delivery or performance or the business or financial condition of Purchaser) or result in the creation or imposition of any Lien upon the Lease Transaction or Equipment other than Permitted Encumbrances (as defined in the Participation Agreement that is included in Transaction Documents).

(d) No Consents or Approvals. None of the execution, delivery or performance by Purchaser of this Agreement, or the consummation by Purchaser of any of the transactions contemplated hereby, or the performance or observance by Purchaser of its obligations under the Transaction Documents, requires the consent or approval of, the giving of notice to, the registration, recording or filing of any documents with, or the taking of any other action in respect of, any governmental authority, except such as has been obtained or effected on or prior to the effective date hereof or is to be obtained or effected on or prior to the date hereof.

(e) No Material Litigation. There are no pending or, to the best of Purchaser's knowledge, threatened investigations, suits or proceedings against Purchaser or affecting Purchaser or its properties, which are reasonably likely to materially adversely affect the consummation of the transactions contemplated by, or the ability of Purchaser to perform its obligations under, this Agreement or the Transaction Documents.

(f) ERISA. Purchaser is not purchasing the Lease Transaction or the Equipment with the assets of an employee benefit plan (or its related trust) as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended from time to time, or with the assets of any plan (or its related trust) as defined in Section 4975(e)(1) of the Code, and Purchaser is not an entity whose underlying assets include assets of any such plan, by reason of a plan's investment in the entity.

(g) Acquisition for Investment. Purchaser is acquiring the Lease Transaction and the Transaction Documents for its own account for investment and not with a view to, or for sale in connection with, any distribution of any portion thereof or any beneficial interest therein, and Purchaser understands and agrees that none of the transactions or interests covered by the Transaction Documents have been registered under the Securities Act of 1933 and that any transfer of the Lease Transactions or any portion thereof or any beneficial interest therein may only be made in compliance with the Securities Act and other applicable law.

(h) "Institutional Investor". Purchaser is a wholly-owned subsidiary of Mellon Bank, N.A., engaged in the equipment leasing business and has a net worth in excess of \$50 million as of the date hereof.

(i) No Liens. The Lease Transaction, including the Equipment described therein, is free and clear of any Liens that result from claims against Purchaser not related to the transactions contemplated by the Transaction Documents.

(j) No Defaults. To the knowledge of Purchaser, no "Event of Default" (as defined in the Security Agreement that is part of the Transaction Documents) or event, which with the passing of time or the giving of notice, or both, would constitute such an Event of Default, has occurred and is continuing. Purchaser is not in violation in any material respect of any provision of the Transaction Documents.

SECTION 5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns and shall inure to the benefit of the other parties to the Transaction Documents and their successors and assigns.

SECTION 6. Governing Law. This Agreement, including all matters of construction, validity and performance, shall in all respects be governed by, and construed in accordance with, the law of the State of Missouri applicable to contracts made in such state and to be performed entirely within such state, without giving effect to principles relating to conflicts of law.

SECTION 7. Counterparts; Effective Date. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. This Agreement shall become effective as of the later of the dates set forth below under the signatures of the officers of the parties hereto on the execution page hereof.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year set forth below under the signatures of their respective officers.

SELLER:

**MERCANTILE BANK OF ST. LOUIS
NATIONAL ASSOCIATION**

By:  VP

David L. Langley
Vice President
September 29, 1995

PURCHASER:

**MELLON FINANCIAL SERVICES
CORPORATION #3**

By: 

Michael B. Woolley
Vice President
September 29, 1995

ALISON E. CONGER
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis County
My Commission Expires: Mar. 10, 1997

Commonwealth of Pennsylvania)
) S.S
County of Allegheny)

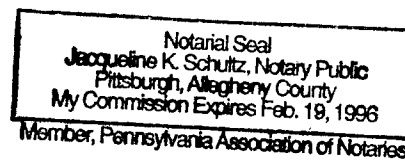
On this 3rd day of October 1995, before me personally appeared Michael B. Woolley, to me personally known, who being by me duly sworn, says that he is a Vice President of Mellon Financial Services Corporation #3, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jacqueline K. Schultz
NOTARY PUBLIC

My Commission Expires:

February 19, 1996

[Notarial Seal]



THE LEASE TRANSACTION

All of the right, title and interest of Seller in the Equipment Lease, and in each of the other documents to which Seller is a party, relating to a leveraged lease transaction, dated as of December 1, 1984, between Mercantile Bank of St. Louis National Association (formerly Mercantile Trust Company, N.A.), as lessor, and **GE Capital Railcar Associates, Inc.** (assignee of Itel Rail Corporation, successor to Pullman Leasing Company), as lessee, relative to two hundred (200) 5800 cu. ft. covered hopper cars manufactured by Richmond Tank Car Company, bearing road numbers DOWX 20000-20199, excluding road number 20179, which has been destroyed (the "**GE Units**"), which GE Units are currently subleased to The Dow Chemical, including a Guaranty, dated June 1, 1992, from General Electric Capital Corporation in favor of Seller and others.